

MICROENTERPRISE COVID RECOVERY ASSISTANCE PROGRAM

Montague

Frequently Asked Questions (FAQ)

revised as of 7/13/20 3:57 p.m.

CRITERIA

- 1) Meets basic criteria: Business located in **Montague**; complete application submitted; income eligible* (see chart below); 5 or fewer employees; for-profit entity; business registered with city/town where located; city/town accounts up-to-date as of date of application.
- 2) Recovery plan: reasonable
- 3) Use of loan funds will help business recover

DOCUMENTS NEEDED TO COMPLETE APPLICATION:

- 1) 2019 Business Tax Return (if applicable)
- 2) A 2020 Profit & Loss to date or Profit and Loss Worksheet to date
https://fccdc.org/wp-content/uploads/PDFs/ProfitLossStatement_fillable.pdf
- 3) Household Income Form
https://greenfield-ma.gov/files/Household_Income_Form_-_GMEAP.pdf
- 4) Personal 2019 Income Tax for each owner, with signature(s)
If qualifying on the basis of 2019 annual income, you must ALSO request and submit an official IRS tax transcript for 2019
- 5) If you do not qualify on the basis of your 2019 income, then you must submit documentation of income for 8-week period prior to application (e.g., paycheck stubs/statements, bank statements, social security report, unemployment statements, etc.)

Grant Award is conditional on documentation of income reported on the Household Income for either annual income for 2019 OR the 8 weeks prior to the date of application (see chart at the bottom of FAQ for income guidelines).

To submit forms, please drop off or mail to:

Microenterprise Assistance Program
Franklin County CDC
324 Wells Street
Greenfield, MA 01301

For more information contact:

Amy Shapiro, Business Development Director
Franklin County CDC
413-834-2508 Cell/Text
amys@fccdc.org

Please use: **Microenterprise Assistance Program Question** in Subject Line.

DROP OFF:

Montague Town Hall
One Avenue A Turners Falls, MA
Town Hall can accept applications on Mondays, Tuesdays, Thursdays 8:30 to 5:30 and Wednesdays 8:30 to 6:30. Town Hall is closed on Fridays.
Drop off in box labelled "Micro-Enterprise Recovery program" in front vestibule and call the number listed number to receive a time stamp.

FAQ:

- 1) What if I live in Montague but my business is not in Montague? **Not Eligible. You are eligible only if your business is located in Montague**
- 2) What if my legal structure is an LLC, Sub S corp, Cooperative?
Must be for profit. No non-profits - 501(c)(3) - or social clubs. Eligibility of Cooperatives is to be determined at this time.
- 3) What if my business is a seasonal business and I don't open up until fall? **Not currently eligible.**
- 4) What if I am not opening up until the state gives permission? **That is our expectation - the business must be operating within the guidelines of the governor's emergency order.**
- 5) What if I am getting PUA and prefer to wait to apply until I have a better sense when business might pick up? **Microenterprise Assistance funding is limited and is awarded on a first-come first-serve basis. We encourage you to apply for funding early, so that we can make a decision before any PUA benefits expire.**
- 6) Can the loan be used for PPE, face shields, gloves, etc. **Yes, if reasonable for COVID safe workplace practices.**
- 7) What if I have a part-time business? Am I eligible? **Yes, if your business meets all the other eligibility criteria.**
- 8) What is the criteria used to have the loan forgiveness? What and when will I have to produce documentation? You will need to **expend funds in line with the projected budget**

submitted with your application and confirmed with loan agreement; document expenditures; and certify no duplication of benefits.

9) What if my income from my business is not regular and comes in seasonally not reflected from Jan-May? Write a narrative and show us last year's numbers.

10) Is this loan just for businesses that rent space? No, if you operate the business out of space that you own you are eligible. Program cannot pay mortgage principal, but can pay mortgage interest.

11) What about businesses who sub-rent from another business? Rent or mortgage interest are eligible expenses.

12) Is a home-based business eligible? Yes; you will need to demonstrate negative impact from COVID and business needs to be not just a hobbyist (annual sales of at least \$20,000).

13) Are there any businesses not eligible? Non-profits, liquor and tobacco sales, pawn shops, cannabis stores, adult entertainment, passive real estate and social clubs are not eligible.

14) If I collect unemployment, does it count toward my household income? Regular unemployment amounts are counted towards household income. Stimulus payments and extra \$600 PUA are NOT included in household income.

15) If I qualify for another program (such as PPP), can I use Microenterprise Assistance funds before or after I actually receive other program funds? Yes you may use the Microenterprise Assistance funds before you actually receive other program funds or after other program funds have been expended; Microenterprise Assistance funds can be used any time over the three-month period for the listed business expenses that are not being covered by another program.

16) If I can't hire back employees and am obligated to pay rent, can I use these funds for rent? Yes these funds can be used for rent during the 3 months from the date the agreement is signed.

17) My income is currently higher in 2020 than in 2019. Can I use 2019 lower income numbers to reflect my household income? You may qualify on the basis of your 2019 annual income as reported on your 2019 tax return. (If you qualify on the basis of your 2019 income, you will be asked to submit both a signed copy of your federal tax return, and a Tax Return transcript from the IRS). If your 2019 annual income exceeds the eligibility guidelines, you may qualify on the basis of your previous 8 weeks of income from the date of your application.

18) How do I report earnings for children on the Household Income Form? Please list ALL members of your household on the Household Income Form. Use a separate line

for each form of income per household member. Do not report any wages for children under 17 and/or full-time students, but do include them on the form (see Household Income Form example page). Indicate “under 17, n/a” or “full-time student, n/a” as appropriate, and leave wages column blank.

***INCOME GUIDELINES (2020) – Your income must fall below these numbers**

| | Persons in Household | | | | | | | |
|---|----------------------|--------|--------|--------|--------|--------|--------|--------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| Gross ANNUAL INCOME less than 80% AMI Income Limits (\$) | 47,850 | 54,650 | 61,500 | 68,300 | 73,800 | 79,250 | 84,700 | 90,200 |

| | Persons in Household | | | | | | | |
|---|----------------------|-------|-------|--------|--------|--------|--------|--------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| Did you make less than this in the EIGHT (8) WEEKS prior to date of application? | 7,362 | 8,408 | 9,462 | 10,508 | 11,354 | 12,192 | 13,031 | 13,877 |

*Please note: If you live outside of Franklin County, please submit an application and contact Amy Shaprio